ENVIRONMENTAL PROTECTION
OFFICE OF AIR QUALITY MANAGEMENT

Notice of Administrative Corrections Control and Prohibition of Air Pollution by Vehicular Fuels

Proposed Amendments: N.J.A.C. 7:27-25.1, 25.2, 25.3, 25.4, 25.8, 25.9, 25.11 and 30.13;

and 7:27A-3.10

Proposed New Rules: N.J.A.C. 7:27-25.8, 25.9 and 25.10

Proposed Repeals: N.J.A.C. 7:27-25.6 and 25.7

Take notice that the New Jersey Department of Environmental Protection ("Department") is correcting the proposed amendments, new rules and repeals to N.J.A.C. 7:27-25, 7:27-30, and 7:27A-3.10, which were published in the New Jersey Register on November 16, 1998 at 30 N.J.R. 4015(a), regarding a new low emission gasoline program. These corrections will do the following: 1) delay the implementation date of Phase I of the low emission gasoline program to June 1, 1999 from May 1, 1999; 2) modify compliance with the proposed standards from a "per gallon" basis to an "averaged" basis; and 3) limit NO_x emission standards to Phase II of the low emission gasoline program. The Department is making these corrections to the original low emission gasoline program proposal to afford greater lead time and flexibility in compliance with, and enforcement of the low emission gasoline program standards.

Because the correction delays implementation of the Phase I VOC standards until June 1, 1999 and removes the Phase I NO_x standards, the low emission gasoline program will realize fewer VOC emission reduction benefits in 1999 and will realize no NO_x emission reduction benefits during Phase I. While the overall positive social, economic and environmental impacts of the proposed program will thus be somewhat diminished, these program impacts will still be positive ones, as described in the Department's original proposal. In addition, while the low emission gasoline program will still exceed Federal standards for VOC and NO_x emissions during Phase II, it will now, as corrected, only exceed Federal standards for NO_x emissions during Phase II and will not exceed Federal standards for VOC emissions during May 1999. Finally, delayed implementation of the Phase I VOC standards and removal of the Phase I NO_x standards will not require corrections or revisions to the Jobs or Agriculture Industry Impact Statements or the Regulatory Flexibility Analysis contained in the original proposal.

The Department had originally scheduled a <u>public hearing</u> concerning the low emission gasoline proposal to be held at 10:00 A.M. on Friday, December 18, 1998. The Department is hereby <u>rescheduling this hearing</u> to be held at 10:00 A.M. on Monday, January 11, 1999 at:

First Floor Hearing Room Department of Environmental Protection 401 East State Street Trenton, New Jersey

At this hearing, the Department will also take comment on a proposed revision to New Jersey's Ozone State Implementation Plan (SIP) which includes both the Department's low emission

gasoline program proposal, as corrected herein, and a proposed Clean Air Act Section 211(c)(4) Waiver Request.

The Department will accept written comments on the original low emission gasoline proposal as corrected herein and the proposed Ozone SIP Revision until close of business January 14, 1999 addressed as follows:

Ann Zeloof, Esq.

Attention: DEP Docket No. 28-98-10/676 (comments on proposal and correction thereto)

AND/OR

Attention: DEP Docket No. 33-98-11/681 (comments on the proposed ozone SIP revision)

Office of Legal Affairs

Department of Environmental Protection

P.O. 402

Trenton, New Jersey 08625-0402

Copies of the proposed Ozone SIP Revision are available for inspection at the following locations:

Department of Environmental Protection Public Information Center, 1st Floor 401 E. State Street Trenton, New Jersey 08625

DEP Bureau of Enforcement

Central Region

Horizon Center, P.O. Box 407

Robbinsville, N.J. 08625-0407

DEP Bureau of Enforcement

Metropolitan Region 2 Babcock Place

West Orange, N.J. 07052-5504

Trenton Public Library

120 Academy Street

Trenton, N.J. 08608

Newark Public Library 5 Washington Street

P.O. Box 630

Newark, N.J. 07102-0630

Burlington County Library

3 Pioneer Blvd. and Woodlane Rd.

Mt. Holly, N.J. 08060

DEP Bureau of Enforcement

Northern Region

1259 Route 46 East

Parsippany, N.J. 07054-4191

DEP Bureau of Enforcement

Southern Region

2 Riverside Drive, Suite 201

Camden, N.J. 08103

Atlantic City Public Library

1 North Tennessee Avenue

Atlantic City, N.J. 08401

Penns Grove/ Carney's Point Public

Library Association

222 South Broad Street

Penns Grove, N.J. 08069

New Brunswick Free Public Library

60 Livingston Avenue

New Brunswick, N.J. 08901

Joint Free Public Library Morristown & Morris County 1 Miller Road Morristown, N.J. 07960

Burlington City Library 23 West Union Street Burlington, N.J. 08016

Perth Amboy Public Library 193 Jefferson Street Perth Amboy, N.J. 08861

Toms River Public Library 101 Washington Street Toms River, N.J. 08753-7625 Archibald Stevens Alexander Library, Rutgers University 69 College Avenue New Brunswick, N.J. 08903

Freehold Public Library 28½ East Main Street Freehold, N.J. 07728

Somerville Public Library 35 W. End Avenue Somerville, N.J. 08876

Camden Free Public Library 418 Fredericks Street Camden, N.J. 08103

Copies of the proposal, the correction and the proposed Ozone SIP revision can be downloaded electronically from the Department's Air Quality Regulations Bulletin Board. The compressed files, LEGPROP.ZIP and LEGPSIP.ZIP, contain WordPerfect® 5.1 and ASCII documents and are located in file area #35 (Air: Props, Adopts, & Notices). The data line number for the Bulletin Board is (609) 292-2006. (Data bit: 8; Parity: N; Stop bit: 1) Air Quality Management rules, proposals, adoptions and SIP revisions are also available from the Office of Air Quality Management's website at: http://www.state.nj.us/dep/aqm.

In addition, copies of these documents may also be obtained from Lori McGee at the Office of Air Quality Management at (609) 777-1345, fax: (609) 633-6198 or e-mail: lmcgee@dep.state.nj.us.

Full text of the corrections follows (additions to the proposal indicated in boldface **thus**; deletions from proposal indicated in brackets [thus])

7:27-25.2 Scope and applicability

- (a) (b) (No change from proposal.)
- (c) The low emission gasoline standards for VOC, NOx, and sulphur set forth at N.J.A.C. 7:27-25.8(c), (d), (e) [, (f)] and [(g)] (f) apply only to a refiner, importer, blender, or distributor who sells or otherwise provides gasoline to one or more distributors, retailers, and/or wholesale purchaser-consumers in New Jersey.
- (d) The Phase II low emission gasoline standards at N.J.A.C. 7:27-25.8(d), [(f)] (e) and [(g)] (f) shall not be operative until the following actions have been taken:
 - 1. 2. (No change from proposal.)

7:27-25.8 Low emission gasoline standards: general provisions

- (a) (b) (No change from proposal.)
- (c) No person subject to this section shall, <u>from June 1, 1999 through September 15, 1999</u>, <u>inclusive and during the ozone seasons of [1999,] 2000</u>, 2001 and 2002, inclusive, provide gasoline to a distributor, retailer or wholesale purchaser-consumer in New Jersey unless the gasoline meets, on [a per-gallon] <u>an averaged</u> basis, one of the following VOC standards:
 - 1. 2. (No change from proposal.)
- (d) No person subject to this section shall, during the ozone season of 2003 and every ozone season thereafter, provide gasoline to a distributor, retailer or wholesale purchaser-consumer in New Jersey unless the gasoline meets, on [a per-gallon] an averaged basis, a VOC emission performance reduction standard of 28.4 percent from baseline gasoline as described at 40 C.F.R. 80.45.
- [(e) No person subject to this section shall, during the ozone seasons of 1999, 2000, 2001 and 2002, inclusive, provide gasoline to a distributor, retailer or wholesale purchaser-consumer in New Jersey unless the gasoline meets, on a per-gallon basis, a NOx emission performance reduction standard of 8.6 percent from baseline gasoline as described at 40 C.F.R. 80.45.]
- [(f)] (e)No person subject to this section shall, during the ozone season of 2003 and every ozone season thereafter, provide gasoline to a distributor, retailer or wholesale purchaser-consumer in New Jersey unless the gasoline meets, on [a per-gallon] an averaged basis, a NO_x emission performance reduction standard of 11.0 percent from baseline gasoline as described at 40 C.F.R. 80.45.
- [(g)] (f)(No change in text from proposal.)

7:27-25.9 Low emission gasoline standards: recordkeeping and compliance determinations

- (a) Any importer, refiner, or blender shall, in regards to all gasoline subject to the requirements set forth at N.J.A.C. 7:27-25.8(c), (d), (e)[, (f)] and [(g) above] (f):
 - 1. 5. (No change from proposal.)
- (b) Any distributor shall, in regards to all gasoline subject to the requirements set forth at N.J.A.C. 7:27-25.8(c), (d), (e)[, (f)] and [(g) above] (f), maintain records to show compliance with said requirements.
- (c) Compliance with the VOC and NO_x emission performance reduction standards in N.J.A.C. 7:27-25.8(c), (d)[, (e)] and [(f) above] (e) shall be determined using the RFG Complex Model set forth at 40 C.F.R. 80.45.

(d) - (e) (No change in proposal.)

7:27-25.10 Low emission gasoline standards: use of credits for compliance

- (a) Any person subject to the VOC and NO_x emission standards for gasoline set forth in N.J.A.C. 7:27-25.8(c), (d)[, (e)] and [(f)] (e), may use discrete emission reduction (DER) credits, in full or in part, to comply with the standard, provided that the generation of the DER credits and the use of the DER credits are carried out in accordance with N.J.A.C. 7:27-30, Open Market Emissions Trading, except as specifically modified by this section.
- (b) (No change from proposal.)
- (c) In preparing the Notice of Intent to Use DER Credits, the credit user shall ensure that the Notice requirements at N.J.A.C. 7:27-30.14, 30.16 and 30.20 are met, except that such a Notice submitted for the purpose of complying with a low emission gasoline standard set forth in N.J.A.C. 7:27-25.8(c), (d)[, (e)] and [(f)] (e) is subject to the conditions and exemptions given in (d) through (j) below.
- (d) (g)(No change from proposal.)
- (h) Any DER credits used to satisfy the conditions of N.J.A.C. 7:27-25.8(c), (d), [(e)] or [(f)] (e) shall be based on emission reductions that occurred during the 1998 or later ozone seasons.
- (i) (j) (No change from proposal.)

SUBCHAPTER 30. OPEN MARKET EMISSIONS TRADING

7:27-30.13 DER use: required, authorized and prohibited uses

- (a) (No change.)
- (b) A person may use DERs to comply with an emission limit established under this chapter, unless the use is prohibited by Federal or State law or is listed under (d) below. Examples of authorized DER uses include:
 - 1. 5. (No change from proposal.)
 - 6. Compliance with the low emission gasoline standards set forth at N.J.A.C. 7:27-25.8(c), (d)[, (e)] and [(f)] (e), provided that the provisions set forth at N.J.A.C. 7:27-25.10 are met.
- (c) (e)(No change from proposal.)

7:27A-3.10 Civil administrative penalties for violation of rules adopted pursuant to the Act

(a) - (m) (No change from proposal.)

CIVIL ADMINISTRATIVE PENALTY SCHEDULE

1. - 24. (No change.)

25. The violations of N.J.A.C. 7:27-25, Control and Prohibition of Air Pollution by Vehicular Fuels, and the civil administrative penalty amounts for each violation, are as set forth in the following table:

<u>Citation</u>	Class	First <u>Offense</u>	Second Offense	Third <u>Offense</u>	Fourth and Each Subsequent <u>Offense</u>
•••					
N.J.A.C. 7:27-25.8(c), (d) , (e)[, (f)] and[(g)] (f)	Less than 15,000 gallon tank capacity From 15,000 up to 50,000 gallon tank capacity. From 50,000 up to 500,00 gallon tank capacity. Greater than 500,000 gallon tank capacity.	\$2,000	\$4,000	\$10,000	\$30,000
		\$4,000	\$8,000	\$20,000	\$50,000
		\$8,000	\$16,000	\$40,000	\$50,000
	, g.,	\$10,000	\$20,000	\$50,000	\$50,000

26. - 31. (No change.)

(n) - (p) (No change.)